

**Work Session
May 4, 2004**

The Montgomery County Board of Commissioners met in a work session on Tuesday, May 4, 2004 at 4:00 p.m. A full board was present. Chairman Maness called the meeting to order and the following was heard:

Discussion of Water Rate Study

Chairman Maness said Tim Carpenter is present to go over some revisions made to the rate study he presented at the last meeting.

Mr. Carpenter presented the following new proposed rates:

Proposed Residential Rate Schedule

First 2000 Gallons	@	\$12.00 (Minimum)
2,000 to 20,000 Gallons	@	\$ 3.60/1000 gallons
20,000 One Million Gallons	@	\$ 3.70/1000 gallons
All Over One Million Gallons	@	\$ 1.60/1000 gallons
Outside of County Bulk Sales	@	\$ 1.86/1000 gallons

Proposed Commercial Rate Schedule

First 2000 Gallons	@	\$30.00 (Minimum)
Next 2000 To One Million Gallons	@	\$ 3.90/1000 gallons
All Over One Million Gallons	@	\$ 1.60/1000 gallons

Proposed Bulk Rate Schedule

All Over One Million Gallons	@	\$1.60/1000 gallons
Outside of County Bulk Sakes	@	\$1.86/1000 gallons

The board discussed other counties' rates.

Commissioner Bostic said we have \$1.5 million in reserve, I don't understand why it isn't showing.

Mr. Carpenter said after talking with Finance Officer Cathy Baxter, it is \$1.8 million after the bond payments are made. He said there was \$212,000 that wasn't spent on this project. The board discussed when they decided to keep a million in reserve. Commissioner Bostic said so we are making money. Commissioner Morris said we need to keep some of it. Mr. Carpenter said things will come up and if you hold one million that would be good. He said the more you keep the better off you are. He estimated that the county is probably 5% ahead with projected earnings.

Chairman Maness said we took out of fund balance to balance the budget so we are not making money.

Commissioner Corbett asked Mrs. Haywood from the water department how many customers only pay the minimum bill. Mrs. Haywood estimated 2500 out of 4500.

Mr. Carpenter said with this increase you can do water extensions on a regular basis.

Chairman Maness asked Mr. Carpenter if he feels if we stay at current rates will we continue to take out of the fund balance. Mr. Carpenter said you are going to gain revenue, yes, but you will not be able to put back in capital reserve. He said it looks like you are on target for this year for capital reserve, but can only do one more project. He said if the rates are not adjusted you will not be able to do projects every year. Mr. Matthews said it will be at a smaller pace.

Commissioner Knight said he was under the impression that when the board decided to look at the rates we were going to try to get water to those people who need water. He said I thought we were going to borrow the money and use this for payment. He said we can't keep taking out of this fund.

Chairman Maness said that is a good point. He said that is what I thought. He said people need water. He said I even had Mr. Carpenter explain this to those requesting water at a recent meeting. He said I believe people will be willing to pay a

little more and down the road we can look at dropping the rates. He continued to say if everything is explained, the people would understand.

Mr. Carpenter said eventually you will have to raise the rates; you can't stay at the same rates forever.

Commissioner Morris said if we borrowed money how many miles could we put in? Mr. Carpenter said 18-19 miles. Commissioner Morris said we need to do what we need to do.

Commissioner Knight said I am for bringing in more revenue. He said have you looked at Chatham County? Mr. Carpenter said that is a good point, I am glad you brought that up. Commissioner Knight said why should the ones that don't use a lot of water pay? He said the ones that use should pay.

Mr. Matthews said a lot of times the minimum rate retires the debt service.

There was a discussion about going up more on town water rates.

Commissioner Knight said why should the people in this county pay less if they can afford to fill their pools and water their lawns. Mr. Carpenter explained the difference of selling wholesale and retail.

Commissioner Knight said if you compare us to others, they have industry. Mr. Carpenter said I understand where you are going, if it is worth \$30 charge \$30, but that is a big jump. Chairman Maness said it is the same with the power bill. Mr. Carpenter said he could do whatever is the pleasure of the board.

Discussion of Future Sewer Capacity/Tap Issues

Mr. Matthews said since the last meeting he received drafted agreements from the attorney. He said on page three, #8, the initial rate will be \$3,000. He said \$2,000 would go to the developer, \$500 to the county and \$300 would be utilized to fund extra sewer capacity at the Mt. Gilead Sewer Plant.

Commissioner Corbett said he thought it was going to be \$3,600. Mr. Carpenter said several numbers were bounced around before a decision was made.

Commissioner Corbett asked if Mt. Gilead obligated themselves at the same time for more capacity. Mr. Carpenter said yes.

Chairman Maness said how much more capacity should we get. Mr. Carpenter said as much as you can afford. Mr. Carpenter continued to say that these developers are serious. He said later we could do a flow analysis and set how much you are using.

Chairman Maness said I remember the discussion on the size lines, he said I thought installing pumps would help. Mr. Carpenter said yes they will. He said I never thought we would get propositions this soon. He said we discussed 6-8" lines or 8-10" lines but we didn't want to do too large of a line. He said right now pumps will allow 380 lots. Chairman Maness said so we can't put Fairway Shores in? Mr. Carpenter said no. The reason they didn't hook on to start with was the county didn't have the capital to run the line into Fairway Shores and only a handful of people wanted it.

Mr. Matthews suggested that we do the sewer lines like the county water lines.

Commissioner Knight asked how many want it? Mr. Matthews and Mr. Carpenter said the development with 380 lots and individuals. Mr. Knight said 400 is the maximum now? He also asked how many are developments? Mr. Carpenter said two.

Chairman Maness asked how quick do they need to know? Mr. Matthews said they need a decision, but do not have to have the contract approved right now.

Chairman Maness and Commissioner Morris said we just received the request.

Mr. Carpenter said Mt. Gilead will give the capacity if you will buy it.

Mr. Matthews said you can require they pay upfront.

Chairman Maness said they need a guarantee and then go through the contract.

Discussion of Proposed Changes to the Campground Ordinance

Chairman Maness explained that this is not a public hearing; this is a meeting for the board of commissioners to discuss the proposed changes.

Mr. Matthews went through the changes. They are as follows:

Recreation Vehicle (RV): Any vehicle or structure designed to be transported and intended for human occupancy as a dwelling for short periods of time. **Shall not be altered in any way. If altered it shall be replaced with an approved labeled RV.**

E. Setbacks: Each campsite shall have front yard setbacks of 10 feet measured from the **front property line and/or street right-of-way lines(s)**, 5 feet from the back line and 5 feet from any side property line. Corner lots must have 10 feet from both **front property lines and/or street right-of-way lines**. All RVs, accessory uses and buildings must meet setbacks. Before a permit can be issued for any new construction, the entire lot, including all buildings and accessory uses that are grandfathered must meet the current setbacks.

4.1 Cancellation of Permits

The Zoning Administrator/County Inspector through the Montgomery County Inspections Department shall cancel a building or occupancy permit when the permit when the method of construction or use violates any provisions contained in these regulations. This allows the Inspector to discontinue electrical or water service to this facility.

Commissioner Knight said he was concerned about the setbacks because some of the property goes into the road. Mr. Phil Henley said the right of way has to be staked. Mr. Matthews said will they have to provide a survey? Commissioner Morris said can you enforce? Mr. Henley said yes, it is easier to go by the lot line.

Commissioner Morris asked Mr. Henley if he can pull the power with these changes. He said yes. Mr. Henley said we usually give 10 days.

Commissioner Morris stressed that Mr. Henley needs to be given authority. She also suggested that a digital camera be purchased and take pictures of what we have. Chairman Maness said that is a good idea.

Commissioner Knight asked about the variance process. Mr. Matthews explained.

Commissioner Morris asked if the board can authorize the purchase of a camera? Chairman Maness said if the board approves it.

This item was carried forward.

Discussion of Resolution Requesting Legislation Codifying the Election Plan

Mr. Matthews explained the letter he received from Attorney Michael Crowell requesting that a resolution be adopted requesting Legislation Codifying the Election Plan.

Chairman Maness said everything to this point is correct.

The Board agreed to carry this forward.

Discussion of Resolution of Support to Sell Water to Moore County

Commissioner Bostic said I do have a problem with selling water to Moore County. It is one of the richest counties that borders our county. We have people that need water, it is not right. He said I know I am only one vote.

Commissioner Knight said I have no problem with selling the water, I have a problem selling the water so cheap. Chairman Maness and Commissioner Corbett said they agree, now is the time to look at it.

Commissioner Morris said the only reason she agrees is the revenue.

Commissioner Bostic suggested it be voted on in two parts.

County Manager's Report

County Manager Lee Matthews presented the following report:

Twin Harbor Request for Sewer Waiver

The manager with Twin Harbor Nick Hancock was present. He requested a waiver in the sewer charge at the pool. He said they had paid for an additional tap so the bathhouse and the pool would be on separate meters.

Commissioner Bostic said what the Town of Candor does is when I fill my pool they give me an average rate. He said they should not have to pay sewer for the pool.

The board agreed to carry this issue forward.

Badin Lake Fire Tax District

Mr. Matthews mentioned to the board receiving a letter from Roslyn Heaton and that this would be on the next agenda.

US Coast Guard Auxiliary at Garr Creek

Mr. Matthews said the US Coast Guard Auxiliary will be requesting a No Wake Zone at Garr Creek. They have been directed to Wildlife for the forms, etc.

Pee Dee Community Building

Mr. Matthews said that Georgette Lilly has asked about purchasing the Pee Dee Community Building.

Chairman Maness said didn't we have a church ask us about this. Clerk Laura Morton said Stony Fork Baptist Church did. Mr. Maness said we need to check with members of the community first.

Commissioner Knight said if we go through the bid process no one could say anything. Mr. Matthews said we could sell it several different ways. We could do it through the bid process, surplus auction, negotiation, and the upset bid process.

Chairman Maness said make sure.

Commissioner Corbett said we need to advertise it. Chairman Maness and Mr. Matthew said we have to.

Announcement

- Leadership Graduation and Dinner tonight at 6:30 p.m.
- Reminder of the Budget meeting on Thursday
- Open House at Starmont Assisted Living on Friday
- Chamber After Hours – May 20
- Legislators Day – May 19th – where we lobby legislators

Horseman's Association

Mr. Matthews asked for clarification of use of the Ag Center. He wanted to make sure the county was not to charge the Horseman's Association. Commissioner Bostic said we shouldn't charge. Chairman Maness said they need to understand if they tear it up, they have to fix it.

Certificate of Heroism

Mr. Matthews said First Health has come up with a Certificate of Heroism to be presented to individuals who show acts of heroism. This would be presented from EMS and the commissioners.

Items Carried Forward to the Regular Session

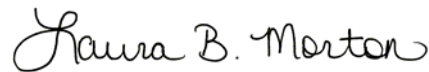
The following items were carried forward:

- Campground Ordinance
- Digital Camera
- Resolution - Codifying the Election Plan
- Twin Harbor Sewer Charge Waiver for the Pool
- Sewer Capacity Reserve
- Letter in Reference to Support of Sell of Water to Moore County

There being no further business the meeting was adjourned.



William D. Maness, Chairman
the Board



Laura B. Morton, Clerk to